



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0017	Title:	Enforce license plate violations by nonresidents working in Montana
Primary Sponsor:	Keane, J.	Status:	As Introduced-Revised

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Include in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

Description of Fiscal Impact:

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund	\$ -	\$ -	\$ -	\$ -
Revenue:				
General Fund	\$ 11,250	\$ 11,250	\$ 11,250	\$ 11,250
Net Impact-General Fund Balance	<u>\$ 11,250</u>	<u>\$ 11,250</u>	<u>\$ 11,250</u>	<u>\$ 11,250</u>

FISCAL ANALYSIS

Description of Fiscal Impact:

HB 17 imposes penalties on non-residents who fail to register their vehicles. An estimated 75 citations per year will be issued, totaling \$22,500 split between the state general fund and local governments.

Assumptions:

Department of Justice

1. The Montana Highway Patrol estimates it will issue 75 citations per year under 61-3-701, MCA, as amended. (75 citations X \$300 = \$22,500/year for FY 2008 and FY 2009) and (75 citations X \$300 = \$22,500/year for FY 2010 and FY 2011) (50% to general fund and 50% to local government).

	<u>FY 2008</u>		<u>FY 2009</u>		<u>FY 2010</u>		<u>FY 2011</u>
	<u>Difference</u>		<u>Difference</u>		<u>Difference</u>		<u>Difference</u>
<u>Fiscal Impact:</u>							
<u>Revenues:</u>							
General Fund (01)	\$ 11,250	\$	11,250	\$	11,250	\$	11,250
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>							
General Fund (01)	\$ 11,250	\$	11,250	\$	11,250	\$	11,250

Effect on County or Other Local Revenues or Expenditures:

It is not feasible to accurately calculate the actual fiscal impact to counties, as there is no statistical method of calculating the number of citations that would be issued by local law enforcement. A conservative estimate would be 1000 citations per year statewide. Per MCA 3-10-601(3) calculating that 50% of the \$300 fine is retained by counties, the impact would be $1000 \times \$150 = \$150,000$ per year.

Also, under 61-3-537, counties may impose local option motor vehicle tax at a rate of up to 0.7% of the value. Again, it is not feasible to accurately calculate the impacts to county, but it should be noted that counties that have imposed the local option motor vehicle taxes will be positively impacted by the additional revenues of the licensing of motor vehicles.

3-10-601(3) Except as provided in 46-18-236(7), 61-8-726, and 75-7-123, the county treasurer shall, as provided in 15-1-504, distribute money received under subsection (2) as follows:

- (a) 50% to the department of revenue for deposit in the state general fund; and
- (b) 50% to the county general fund.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date